Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Appropriations Committee

HB 2746

Brief Description: Refinancing of medicaid personal care services for individuals with developmental disabilities and individuals with long-term care needs through the community first choice option.

Sponsors: Representatives Green, Morrell, Tharinger, Fitzgibbon, Senn, Tarleton, Robinson, Kagi, Roberts, Ortiz-Self, Jinkins, Walsh, Habib, Bergquist, Dahlquist, Moscoso, Goodman, Riccelli, Pollet, Ormsby and Freeman.

Brief Summary of Bill

• Directs the Department of Social and Health Services to refinance Medicaid personal care through an optional state plan service offered under the Affordable Care Act.

Hearing Date: 2/3/14

Staff: James Kettel (786-7123).

Background:

The state provides certain Medicaid clients with person care services. Personal care refers to support with routine activities that people tend to complete without needing assistance, called activities of daily living (ADL). Common ADL needs include dressing, bathing, eating, toileting, transferring, and continence. Personal care may also refer to support with activities performed by a person living independently in a community setting, called instrumental activities of daily living (IADL). Common IADL needs include shopping, cooking, laundry, meal preparation, and housework.

Clients may receive personal care in their own home from a contracted individual provider, or from an employee working for a licensed home care agency. Clients may also receive personal care within a residential setting, such as an adult family home or an assisted living facility. In fiscal year 2013, approximately 60,000 clients within the Department of Social and Health Services (DSHS) received personal care services.

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Currently, clients may access personal care through an optional state plan service, called Medicaid Personal Care (MPC), or through programs that provide home and community based services to individuals who would otherwise require institutionalization, called Medicaid waivers. Medicaid state plan services are an entitlement. Medicaid waivers are not an entitlement. Federal Medicaid matching funds cover 50 percent of the cost for personal care services under MPC, or a Medicaid waiver.

The Community First Choice Option (CFCO) is an optional entitlement program offered under the federal Affordable Care Act (ACA). To be eligible, clients must be assessed as needing nursing facility level of care, and must have income that falls below 150 percent of the federal poverty level. States may also choose to include individuals who have higher incomes if those individuals receive medical assistance under certain waiver eligibility groups. Services offered under the CFCO must include: (1) assistance with ADLs, IADLs, and health-related tasks; (2) acquisition, maintenance, and enhancement of skills to complete ADLs, IADLs, and health-related tasks; (3) back-up systems that ensure the continuity of care and support; and (4) voluntary training on how to select, manage, and dismiss attendant care providers. Other services, such as transition assistance and employer training, may be included under the CFCO at the discretion of each state. Federal Medicaid matching funds would cover 56 percent of the cost for services provided under the CFCO, including personal care services.

Under federal requirements, services under the CFCO must be available statewide. The state may not cap enrollment or target clients based on age, severity of disability, or any other criteria. Services must be offered in the most integrated setting possible, given the individual needs of a client. Also, during the first year of operation, states must maintain or exceed prior year Medicaid expenditures for optional services provided to elderly individuals and people with disabilities.

States must establish a Development and Implementation Council to collaborate on program design and implementation. A majority of the Council's membership must consist of the elderly, people with disabilities, or their representatives. After implementation, states must incorporate consumer feedback, monitor health measures, and submit required reports to the Department of Health and Human Services

Summary of Bill:

The Department of Social and Health Services is directed to refinance Medicaid personal care through the CFCO. The CFCO must be implemented no later than June 30, 2016.

Appropriation: None.

Fiscal Note: Requested on January 30, 2014.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.